



VERINT –

Asia Pacific Consumer Insight Study 2013

All markets

VERINT.

8 July 2013



Key Findings

1: Asia Pacific consumers think service is more important than price

- A great customer experience makes up for the price difference
- Relationship with brand is damaged by customer service issues rather than because of product/service itself.

2. Poor customer experiences are very common

- in every industry, more than half of the consumers have had a poor customer service experience

3. There are low expectations at the moment

- Despite poor service, customers overall report good levels of satisfaction
- However that won't last

4: Consumer Experiences are going to be broadcast

- Consumers are sharing good and bad experiences online at an unprecedented rate
- But they are more likely to share POSITIVE experiences, including on social media

The Survey



Methodology

5,819 interviews were conducted in Asia-Pacific

Countries	Australia	China	Hong Kong	India	Indonesia	Japan
Sample size (n)	1,045	1,139	523	1,029	1,049	1,034
Survey period	28 Apr–7 May	28 Apr–9 May	3–13 May	28 Apr–6 May	28 Apr–15 May	3–16 May

- **Methods:**

- Online survey

- **Target respondents:**

- Aged 16 or above, those who have personally use services from:
 - ✓ Financial services: banking, credit cards or insurance
 - ✓ Phone, television or internet broadband company
 - ✓ Electricity, gas or water
 - ✓ Retail shops – either online or in-store
 - ✓ Hotels & Travel (Airline, Train, Bus)

Service is More Important than Price



“

They made the process completely painless, assisting me to make the entire process as simple as possible. Despite the higher cost, the customer service was **worth** any **extra cost**.

Australia, Financial services

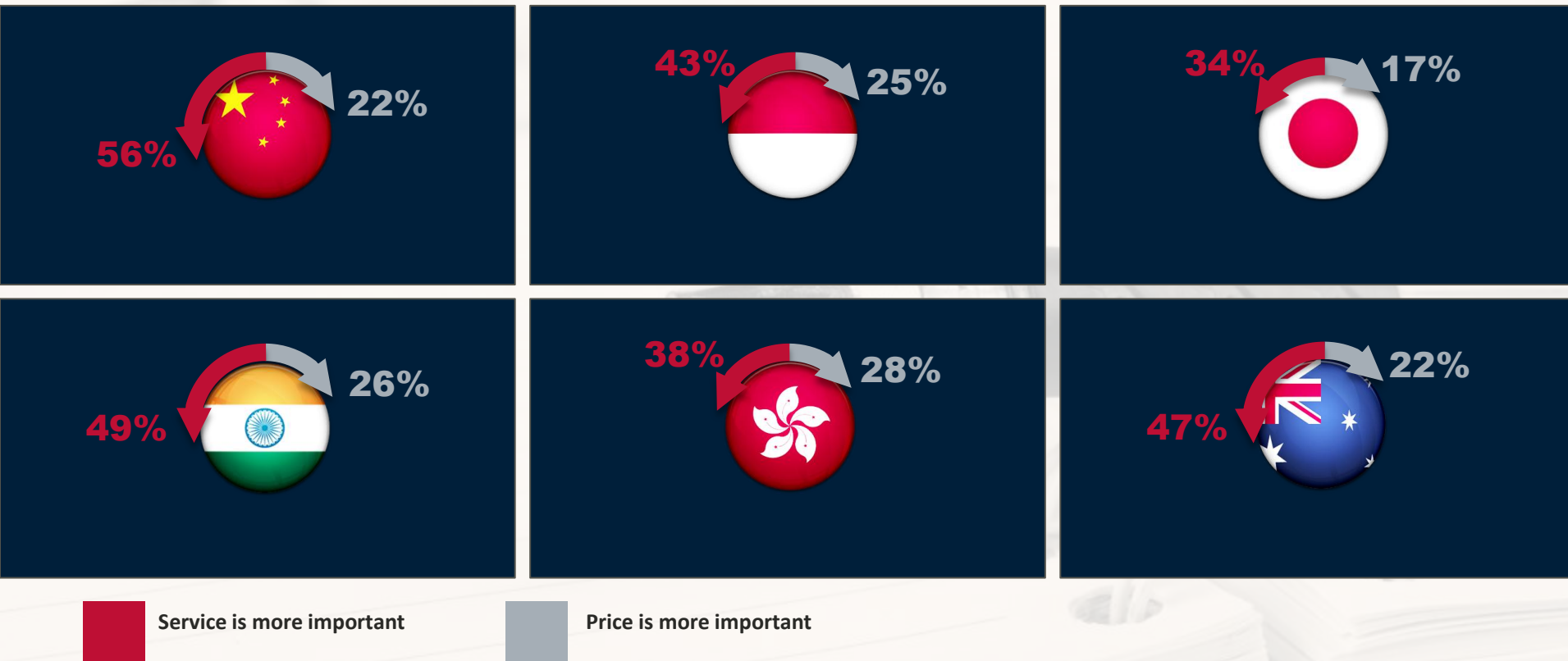
”

Service is More Important than Price

Level of Agreement that Price is more important than Service

Only **23%** think price is more important

45% of Asia Pacific consumers are willing to pay more for service



**Asia Pacific consumers are
expecting poor service**

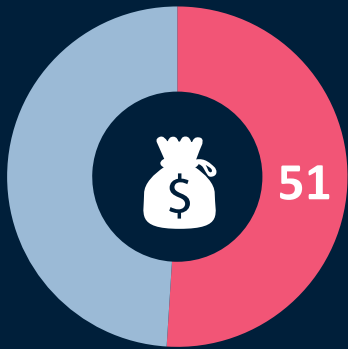
But they will not tolerate this for
long



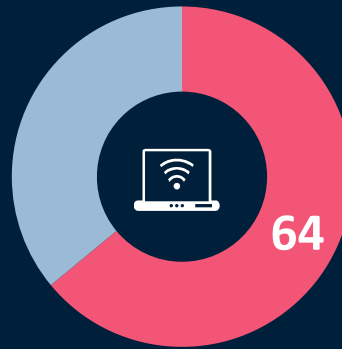
Most Asia Pacific consumers receive poor service

% who have received poor service with industry

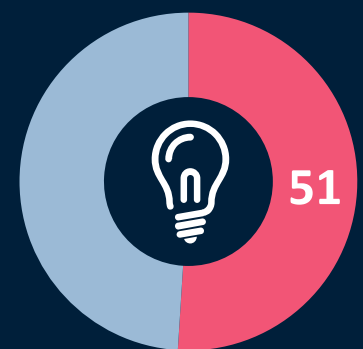
Financial Services



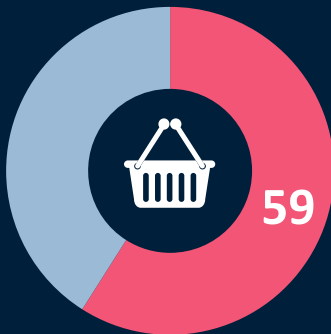
Phone, Internet, Broadband



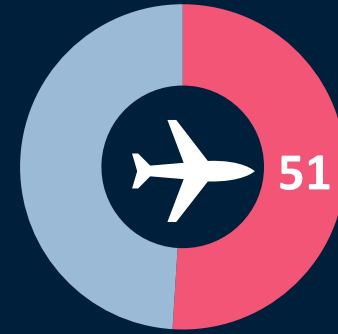
Power, Gas, Water



Retail



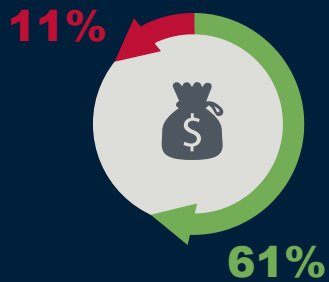
Hotels, Travel, Airlines



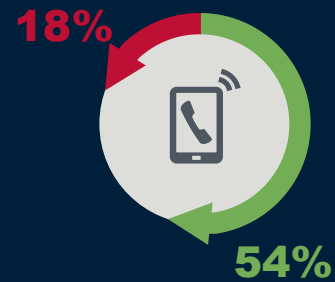
And yet they still report high satisfaction

% satisfied or dissatisfied with the services they receive from each industry

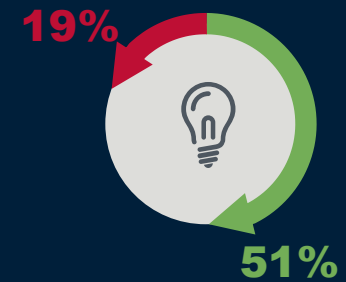
Financial Services



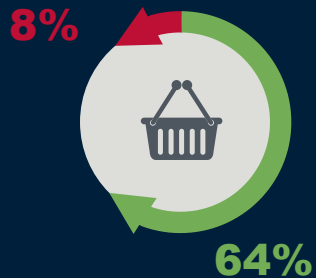
Telecoms



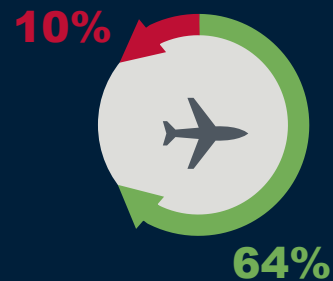
Utilities



Retail



Hotels, Travel



% satisfied or
very satisfied
with industry

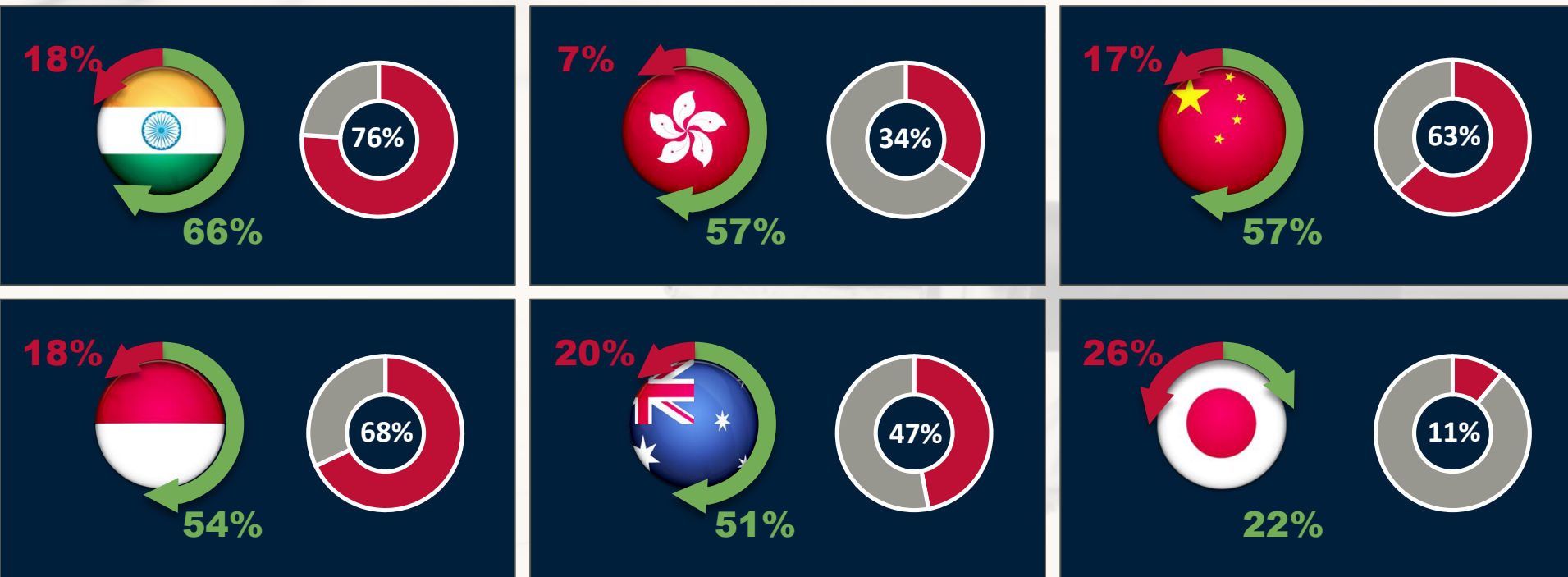


% dissatisfied or
very dissatisfied
with industry

There are different expectations in each market

% satisfaction and % experiencing problems in Utilities

- Only **11%** experienced problems with power, gas or water in Japan, and yet **more** are **dissatisfied than satisfied** with the services they receive



satisfied



dissatisfied



Consumers who experienced problem in the P6M

Consumer Experience is going to be broadcast



Over half will tell their friends about their customer service experiences

How good and bad experiences are shared



55%

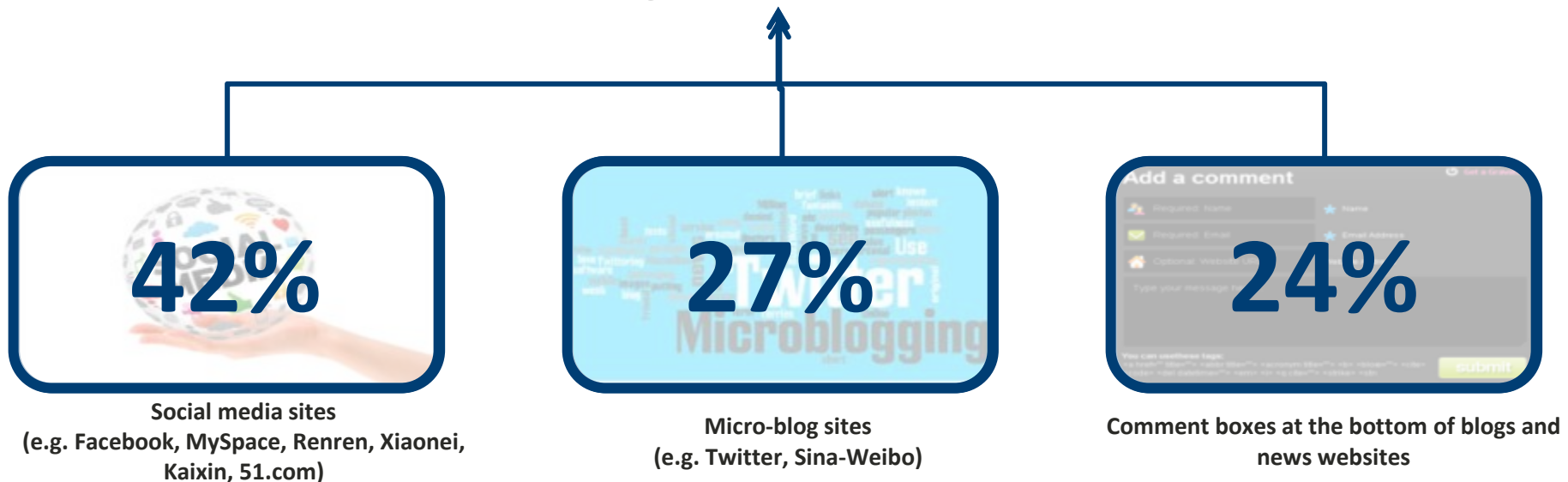
will report their customer service experience to friends or colleagues

And almost as many will broadcast their experiences online

Whether good and bad experiences are shared by different channels

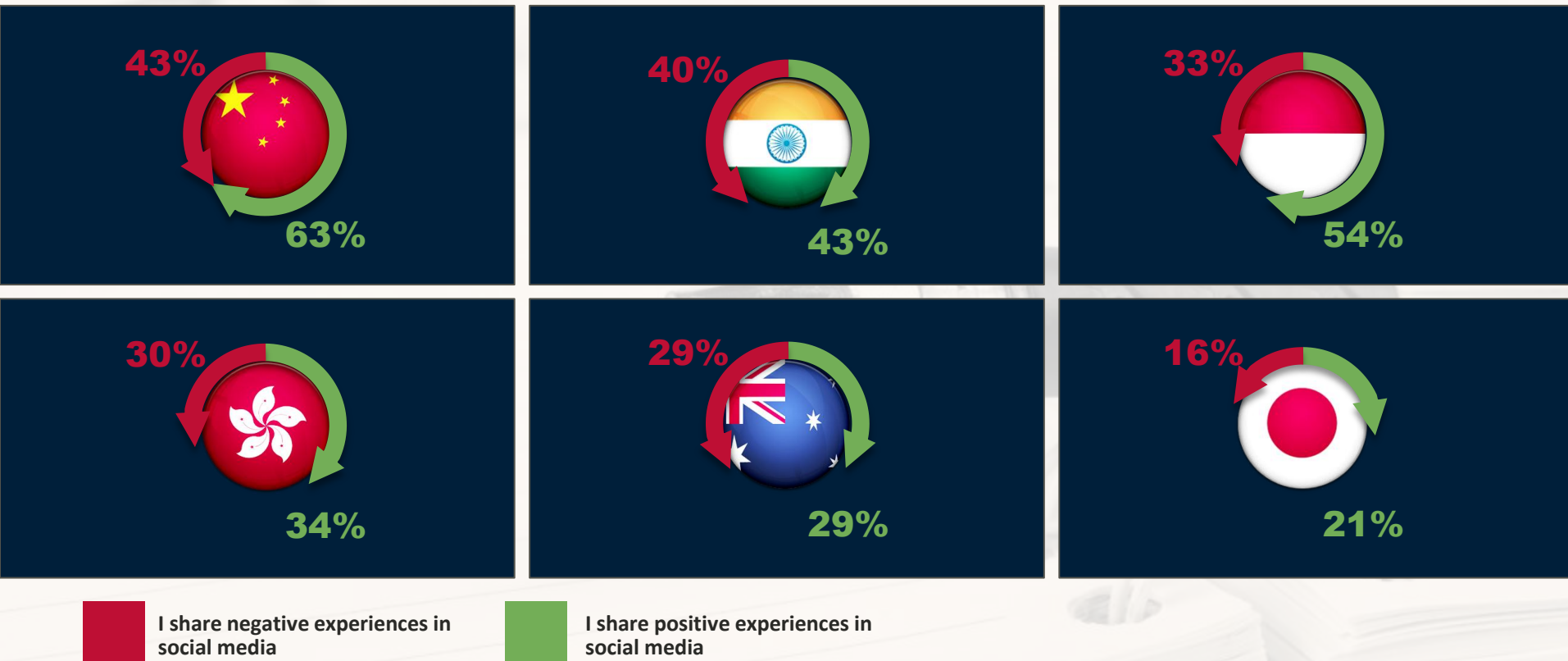
53%

will share their experiences on social media,
micro-blogs or on comment boxes



People are more likely to share positive experiences than negative experiences

Sharing of Positive experiences on social media



What makes a Poor Service Experience?

Why are consumers Unhappy?



Why are consumers unhappy?

#1 - Not fixing my problem the 1st time around

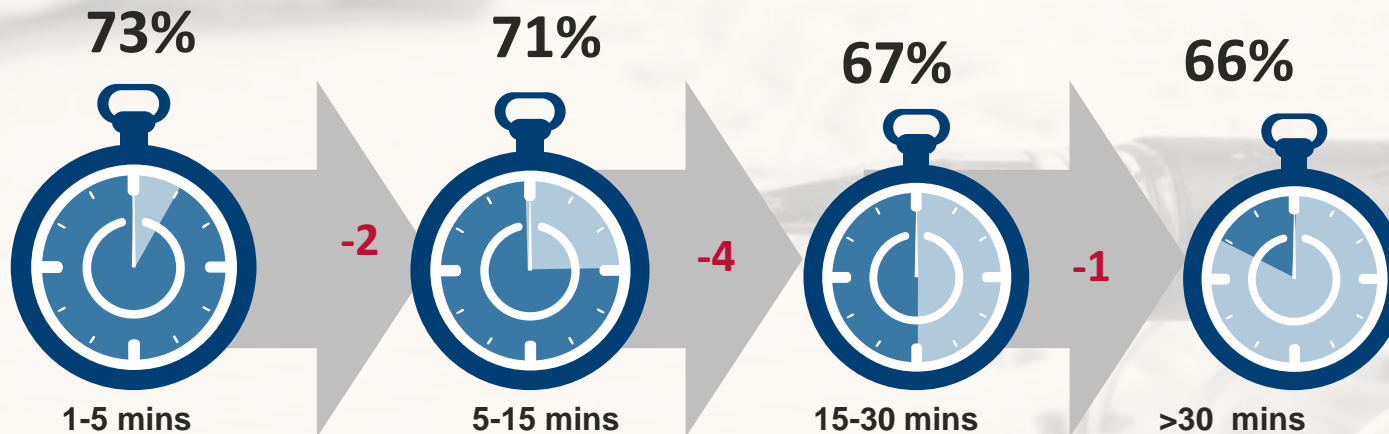
Make me come back or call again



Customers will spend time in having issues resolved – the longer it takes then satisfaction evaporates slowly

% satisfied or very satisfied with Retail based on time taken to serve

% Very satisfied/ somewhat satisfied

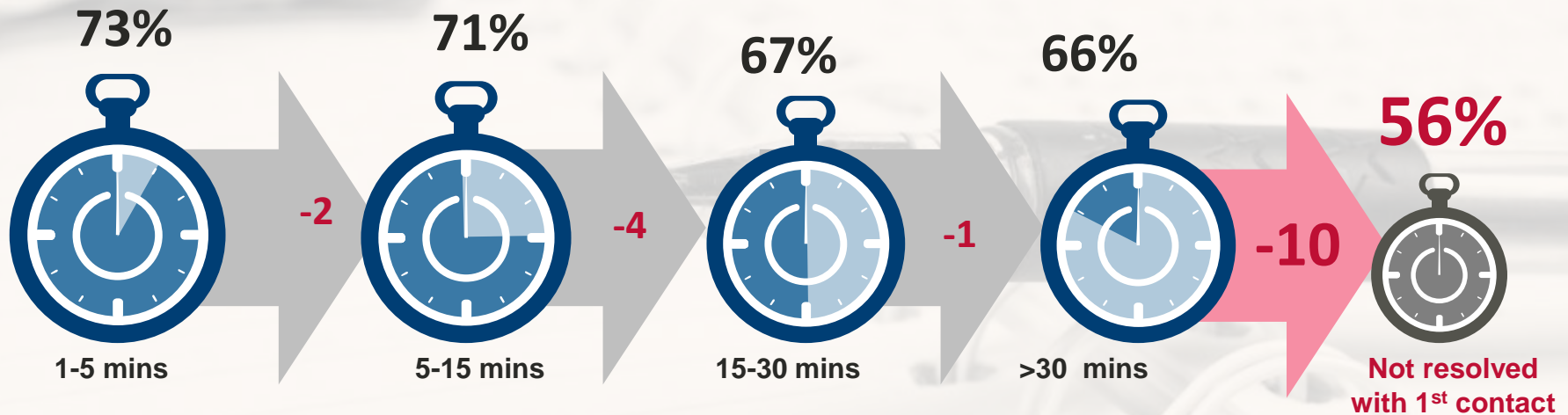


But if the issue is not resolved first time, there is a huge drop in satisfaction

% satisfied or very satisfied with Retail based on time taken to serve

People can spend time with you in solving an issue, but it has to be done during the first call

% Very satisfied/ somewhat satisfied



Why are consumers unhappy?

#2 - Taking too long to respond

Waiting makes me angry

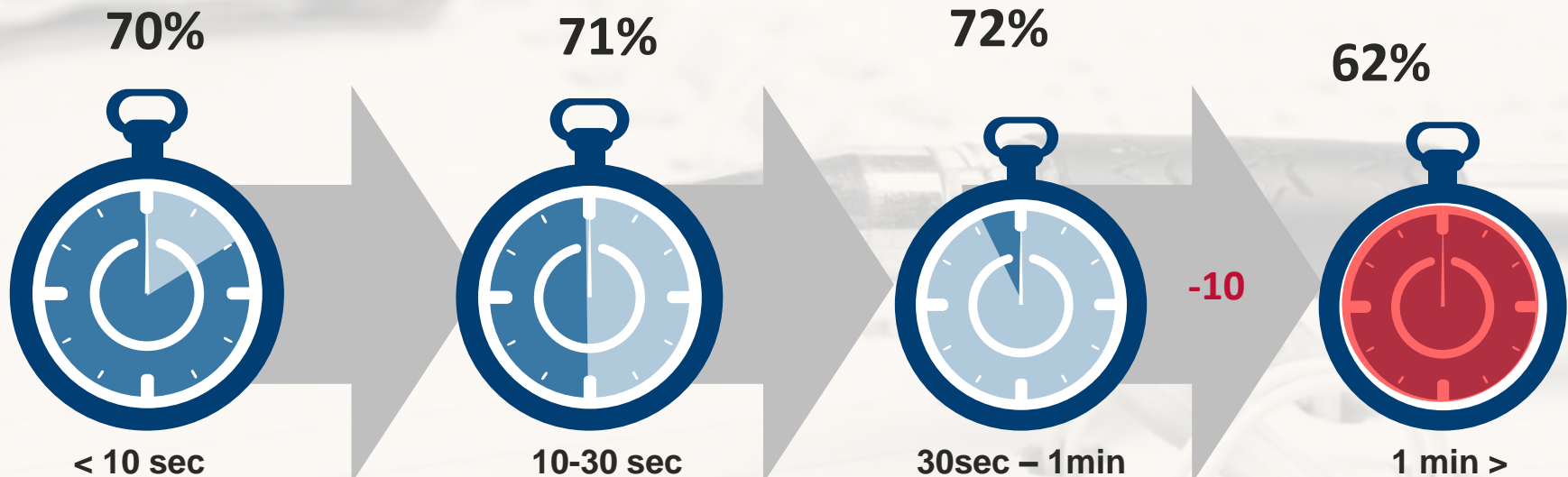


People will wait for up to 1 minute to be served – after which, satisfaction plummets

% satisfied with Financial Services according to time spent waiting to be served

The proportion of those satisfied with services remains broadly unchanged for those who have immediate response or those who wait up to one minute

% Very satisfied/ somewhat satisfied



Time waited for service from the most recent transaction

Why are consumers unhappy?

#3 – Unfriendly Service

Rude Attitude & Language



Having rude staff can be as serious as taking too long

Drop in Satisfaction if different types of issue happen

Financial Services

-15%



Rude staff

-18%



Takes too long

Telecoms

-24%



Rude staff

-21%



Takes too long

Utilities

-14%



Rude staff

-14%



Takes too long

Retail

-12%



Rude staff

-10%



Takes too long

Hotels & Travel

-11%



Rude staff

-12%



Takes too long

Why are consumers unhappy?

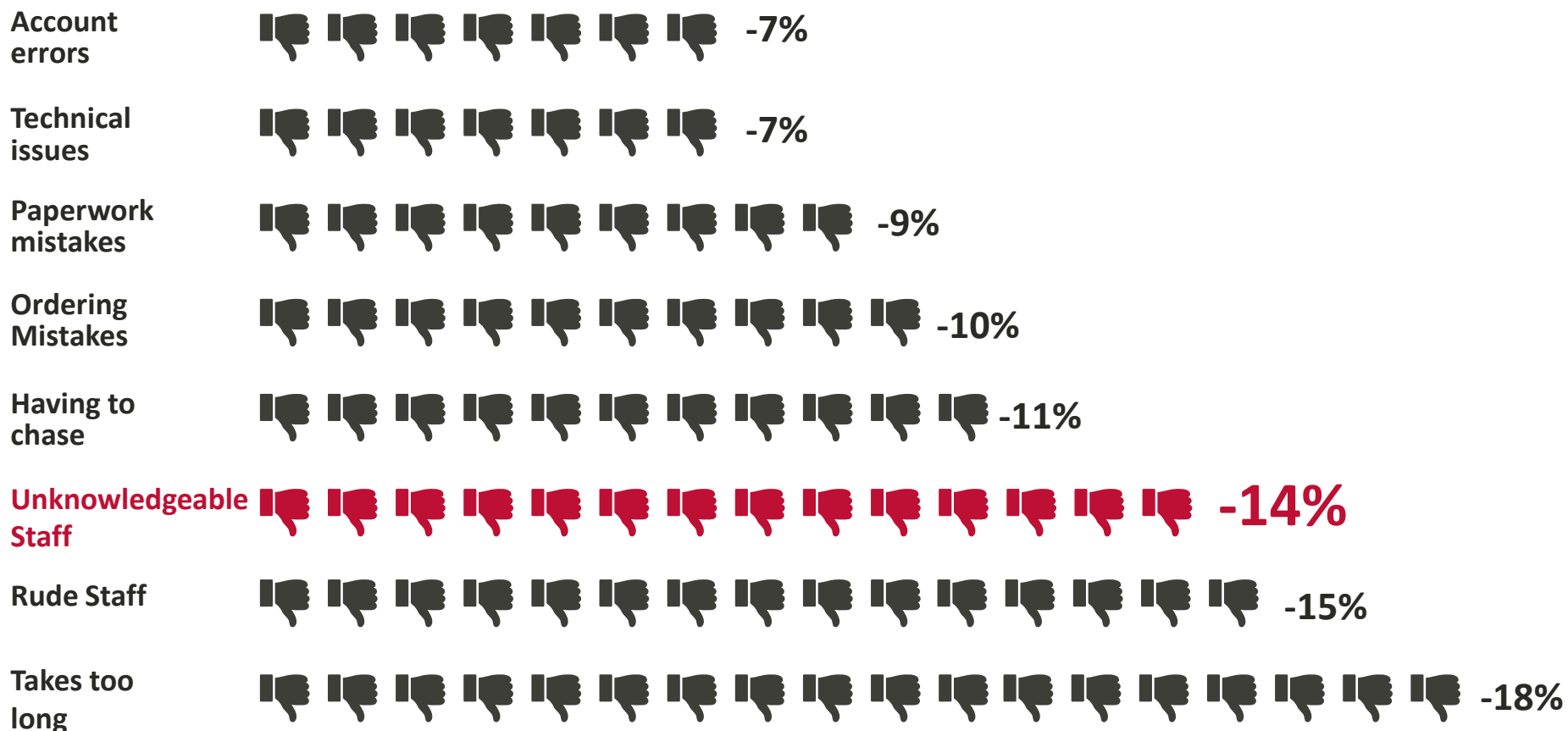
#4 - Unknowledgeable Staff



Satisfaction can drop substantially when service staff don't know what they are doing

Drop in satisfaction for different types of issue on Financial Services

- If issues are not resolved the first time, the proportions satisfied with service drop by...



Why are consumers unhappy?

#5 - Inflexible Processes

You don't really want to help me



When the first point of contact cannot help, satisfaction scores drop

% satisfied according to actions taken with Hotels and Travel



But if you give your staff the flexibility to help, you can increase consumer satisfaction

% satisfied according to actions taken with Hotels and Travel

Solving a problem well can **increase satisfaction** compared with **not having a problem** in the first place



Conclusions



Summary

Companies that provide superior service experience can gain a competitive advantage

- Asia Pacific Consumers Value Service over Price
 - only 23% of consumers value price over service
- Over 50% of consumers had a poor service experience
 - but **less than** 1 in 5 are dissatisfied
- Consumers will tell others about a company providing superior experience
 - 55% will tell friends about customer experiences
 - 53% will post on social media
 - Consumers are more likely to tell about good experiences than bad ones



Thank You

VERINT.

